



Lone Star Lines

The Quarterly Publication of the Surplus Lines Stamping Office of Texas

In this issue:

2013 Texas Premium
by Line of Business
by Market Segment
page 2

Snyder Retires from
Texas Comptroller's
Office
page 2

SLSOT
Employee News
page 3

EFS Quick Tips
page 3

Helpful Hints
page 3

Premium
Comparison
page 4

www.slsot.org

When an Employee Leaves

A former employee who still has access to a company's network and proprietary data is a security threat, no matter the terms of the departure. You should immediately revoke or block all computer, network, and data access the former employee has, including remote access. Sharing EFS User IDs and passwords is a violation of the Stamping Office's security policy and is not allowed. However, you should have your own policies in place to protect your company and they should be strictly

adhered to when an employee leaves. We ask that you notify us whenever an EFS user is no longer employed and that you delete his/her User ID and email from the system. Unfortunately, we have seen instances of people accessing the EFS with the User ID of an employee that left the agency months prior. An administrative user can set up a new EFS user with a password in a matter of a few minutes. Please call the EFS Help Desk at (800) 681-5848 if you have any questions or need assistance.

What's in a Date?

Many who file using the EFS mistakenly think that the 'Receive Date' is the date used to determine whether or not a policy is filed in a timely manner. This date means nothing more than a transaction was received by the system, but it has not yet been posted. 28 TAC Section 15.13 states that "No report required to be filed... shall be deemed to be filed with the department or the stamping office unless the documents submitted are correctly

completed..." Until a transaction has been posted – with no errors – it is not considered to be filed (or "correctly completed") with the Stamping Office. The Report Date (shown along with the Batch Number) is the date the policy is posted to our system. This is the date used in the calculations along with the Effective Date and/or the Issue Date in determining whether or not a policy is filed within the 60 day requirement.

Batches	Contracts	Transactions
Batch Number: 3093 (04/25/2014)	Renewal Policy	Receive Date: 04/25/2014
Normal Batch : Posted Batch has Errors		
Back	Report Date and Batch #	Refresh
Trans Status: POST		

Lloyd's Consortium

Whenever submitting security listings that include a Lloyd's consortium, you must also provide the breakdown of syndicates and their percentages of participation. These percentages must total the percentage of participation equal to the percentage of the consortium. The name or number of the consortium alone is not acceptable.

2013 Texas Premium by Line of Business by Market Segment (000's of Dollars)

	Licensed Insurers	Pct	Surplus Lines	Pct	Totals
Fire & Allied Lines	\$3,798,099	71.2%	\$1,533,656	28.8%	\$5,331,755
Farmowners Multiple Peril	\$228,772	99.4%	\$1,355	0.6%	\$230,127
Homeowners Multiple Peril	\$7,157,011	98.1%	\$140,008	1.9%	\$7,297,019
Commercial Multiple Peril	\$2,167,354	88.0%	\$296,322	12.0%	\$2,463,676
Mortgage Guaranty	\$360,650	100.0%	\$0		\$360,650
Ocean Marine	\$327,725	94.4%	\$19,613	5.6%	\$347,338
Inland Marine	\$1,548,584	94.9%	\$82,537	5.1%	\$1,631,121
Financial Guaranty	\$17,848	100.0%	\$0		\$17,848
Medical Malpractice	\$200,678	77.6%	\$57,856	22.4%	\$258,534
Earthquake	\$17,658	97.8%	\$389	2.2%	\$18,047
Group A&H	\$413,868	84.0%	\$78,612	16.0%	\$492,480
All Other A&H	\$98,488	94.2%	\$6,090	5.8%	\$104,578
Workers' Compensation	\$2,658,287	100.0%	\$0		\$2,658,287
Other Liability	\$2,882,450	59.1%	\$1,995,293	40.9%	\$4,877,743
Products Liability	\$181,750	86.1%	\$29,222	13.9%	\$210,972
Private Passenger Auto Liability	\$8,534,252	100.0%	\$2	0.0%	\$8,534,254
Commercial Auto Liability	\$1,767,318	95.6%	\$80,954	4.4%	\$1,848,272
Private Passenger Auto Physical Damage	\$6,668,308	100.0%	\$2,852	0.0%	\$6,671,160
Commercial Auto Physical Damage	\$546,378	88.1%	\$73,483	11.9%	\$619,861
Aircraft	\$157,418	91.9%	\$13,786	8.1%	\$171,204
Fidelity	\$72,530	92.8%	\$5,615	7.2%	\$78,145
Surety	\$493,434	98.0%	\$10,300	2.0%	\$503,734
Burglary & Theft	\$19,875	89.6%	\$2,307	10.4%	\$22,182
Boiler & Machinery	\$104,772	99.0%	\$1,101	1.0%	\$105,873
Credit	\$202,930	42.5%	\$274,060	57.5%	\$476,990
Warranty	\$220,167	100.0%	\$0		\$220,167
Aggregate Write-Ins for Other Lines	\$144,458	99.4%	\$939	0.6%	\$145,397
TOTAL	\$40,991,062	89.7%	\$4,706,352	10.3%	\$45,697,414

Note: Data for "Licensed Insurers" includes stock, mutual, reciprocal, Texas Lloyds plan, & county mutual insurers.

Snyder Retires from Texas Comptroller's Office

Karen Snyder, Tax Policy Specialist with the Tax Policy Division at the Texas Comptroller of Public Accounts, announced her retirement in May after 26 years of service with the State of Texas. A reception was held for Karen on May 29, 2014 at the William B. Travis State Office Building in Austin.

Karen's retirement follows closely on the departures in mid-2012 of Gary Johnson from the Comptroller and Kathy Wilcox from the Texas Department of Insurance. With their retirements, Texas loses significant experience and familiarity with the issues unique to the surplus lines market.



"I AM SO GRATEFUL FOR THE OPPORTUNITIES I HAVE EXPERIENCED AND HAVE MANY WONDERFUL MEMORIES TO TAKE WITH ME. MOST IMPORTANTLY, I TREASURE THE PEOPLE WITH WHOM I HAVE BEEN SO FORTUNATE TO WORK, BOTH IN THE OFFICE AND IN THE INDUSTRY. YOU HAVE TAUGHT ME SO MUCH AND I THANK YOU FOR YOUR PATIENCE, SUPPORT, ENCOURAGEMENT AND KINDNESS OVER THE YEARS. IT HAS BEEN A PRIVILEGE AND PLEASURE GETTING TO KNOW YOU AND I WISH YOU ALL HEALTH AND HAPPINESS."

-Karen

SLSOT Employee News



JaNay Brown

The Stamping Office welcomes JaNay Brown and Sherry Shankle to the Data Services Department. Ms. Brown is employed as a Data Quality Assurance Analyst and Ms. Shankle is EFS Help Desk Support.



Sherry Shankle

Also, congratulations to Mikaela Elkerton on her recent promotion to Data Quality Assurance Analyst.



Mikaela Elkerton

Ms. Elkerton has been employed with SLSOT since 2013.

Helpful Hints

- When submitting items for EFS data validation, please submit a copy of the binder if your entry was made from a binder. If you have since received the policy, please submit a copy of the policy as well. If only the policy is submitted, the issue date on the policy will not match the issue date you entered from the binder, resulting in an error on your validation.
- When submitting binders and/or policies for EFS data validation, you must provide us with the Texas risk location zip code. This zip code must be the same as the zip code you entered in the EFS. You can write or type "risk location zip code is xxxx" or "risk location same as mailing address" on the dec page. It must be a physical address, not a PO Box. If there are multiple locations on the policy, provide the single Texas zip code that reflects the greatest Texas exposure or highest limit or risk.

EFS Quick Tips



Electronic Policy Filing

- When submitting an EFS registration, you must include the correct surplus lines license for Texas for your agent/agency, NOT the general lines license number or a license number from another state. You must include the name (agency or individual) as shown on the surplus lines license. This EFS Registration request must be on agency letterhead. This should be the letterhead of the agency being registered, not that of another agent or agency. Please keep in mind that you are registering the agent/agency that holds the Texas surplus lines license. All required information must reflect the information on that license.
- All policies/binders sent to the EFS Help Desk for assistance with coding are required to include the risk location zip code before coding will be provided.
- EFS entries should not be made using a policy/binder number of "TBD" or To Be Determined. A transaction must reflect a unique policy/binder number. If your policy/binder documentation reflects TBD, you may have to go back to your underwriter or broker to obtain the correct policy/binder number. This number should also be reflected on your physical policy/binder documentation.
- EFS entries should only be made when you have the policy, binder, endorsement, etc. in your office. These EFS entries MUST be made from the information shown ON the policy, binder, endorsement, etc. They must never be made from information shown on an invoice, an email, or just because 'you know' the policy will be renewing exactly like the expiring policy. An invoice or email does not contain adequate policy information and is not a legally binding part of the policy.
- A date extension endorsement is not the same as an extended reporting period endorsement. A date extension endorsement is to be processed as a Renewal Policy. An extended reporting period endorsement is to be processed as an Endorsement-Premium Change.
- As a reminder, any agency filing electronically is required to obtain its Monthly reports (including invoices) directly from the EFS website. As of the March 2014 End-of-Month (EOM), these reports are no longer being mailed to you. At this time, any monthly Late Filing reports will continue to be mailed to your office.
- When calling the EFS Help Desk for assistance, please be prepared to provide your name, your EFS User ID, the name of your agency, and its surplus lines license number. This allows our office to correctly identify you (as the user) and locate your agency's transactions.
- Endorsement transactions should be entered with the same coverage code(s) as on the original policy unless that endorsement is adding an additional coverage.

EFS Help Desk (800) 681-5848

e-mail: efshelp@slsot.org

Comparison of SLSOT Premium Processed by Line of Business

Annual Statement Line of Business	Premium through 7/31/2014	Premium through 7/31/2013	Percent Change
1 Fire (including allied lines)	\$996,138,690	\$939,316,579	6.05%
2 Allied lines	\$61,625,732	\$52,026,334	18.45%
3 Farmowners multiple peril	\$869,493	\$904,103	-3.83%
4 Homeowners multiple peril	\$90,061,997	\$83,451,836	7.92%
5 Commercial multiple peril	\$189,149,674	\$185,353,070	2.05%
8 Ocean marine	\$14,534,741	\$13,002,658	11.78%
9 Inland marine	\$52,964,480	\$50,851,031	4.16%
11 Medical malpractice	\$29,095,436	\$30,979,244	-6.08%
12 Earthquake	\$616,101	\$218,522	181.94%
13 Group accident & health	\$47,050,695	\$46,747,822	0.65%
15 All other A&H	\$3,911,903	\$3,542,267	10.44%
17 Other liability	\$1,240,137,965	\$1,166,902,889	6.28%
18 Products liability	\$20,344,518	\$18,456,445	10.23%
19.2 Other private passenger auto liability	\$0	\$831	-100.00%
19.4 Other commercial auto liability	\$39,431,076	\$49,941,763	-21.05%
21.1 Private passenger auto physical	\$1,949,569	\$1,896,037	2.82%
21.2 Commercial auto physical damage	\$87,327,522	\$40,968,244	113.16%
22 Aircraft (all perils)	\$3,130,605	\$9,677,770	-67.65%
23 Fidelity	\$1,765,299	\$2,741,950	-35.62%
24 Surety	\$6,506,096	\$3,042,506	113.84%
26 Burglary & theft	\$1,157,041	\$1,083,178	6.82%
27 Boiler & machinery	\$965,656	\$34,008	2739.50%
28 Credit	\$123,598,080	\$167,248,421	-26.10%
31 Aggregate/other business	\$2,051,104	\$503,284	307.54%
TOTAL	\$3,014,383,473	\$2,868,890,792	5.07%

Note: Totals subject to rounding

Texas market data reports are updated monthly and available to view and print on our website at www.slsot.org under the link Texas Market Data.



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The "Lone Star Lines" newsletter is published quarterly by the Surplus Lines Stamping Office of Texas for surplus lines agents, companies, and others involved in the surplus lines industry. We invite readers to suggest topics that may be of interest to others.

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